

MOTION BY SUPERVISORS KATHRYN BARGER
AND JANICE HAHN

JUNE 6, 2023

**EXPANDING EPIC-LA TO STREAMLINE COUNTY PERMITTING AND
ENTITLEMENT PROCESSES TO ADDRESS THE REGIONAL HOUSING CRISIS**

The County has been working for a number of years to identify opportunities to improve and expedite its permitting and development process. This work includes the adoption of the Los Angeles County Electronic Permitting and Inspections (EPIC-LA) system by the Department of Regional Planning (DRP) which went live in November 2015. The EPIC-LA system was intended to eventually expand to include additional departments involved in the permitting and development process. Concurrently, the County contracted with Gartner consulting to assess the EPIC-LA system for the feasibility and ability for it to meet the County's need for a uniform platform for the purposes of land development and permitting.

Gartner's initial assessment culminated in a report (Gartner Study) which confirmed that EPIC-LA should be expanded to incorporate additional County Departments. Since then, EPIC-LA has expanded to include five County Departments and serve additional purposes: DRP and the Departments of Public Works (DPW), Public Health – Environmental Health (DPH), and the Los Angeles County Fire Department (Fire) for land development, entitlement, and permitting; the Department of Parks and Recreation for Quimby Act fees; and the Los Angeles County Development Authority for the coordination of affordable housing requirements.

Many of the initial Gartner Study recommendations have been implemented, however, feedback from constituents and industry noted that widespread adoption of the EPIC-LA program had not occurred. The Los Angeles County Board of Supervisors (Board) acknowledged the need to further study the County's permitting and development process to address quality assurance, risk assessments, and procedural issues. In June 2021, the Board approved a motion by Supervisors Barger and Hahn to streamline and expedite the County's permitting and development process to support small businesses and the development of new housing, which ultimately requested an update to the 2015 Gartner Study.

-MORE-

MOTION

SOLIS	_____
MITCHELL	_____
HORVATH	_____
BARGER	_____
HAHN	_____

Since the initial Gartner Study was issued in 2015 new issues and areas of opportunity have become evident. The increased awareness of climate change and greater understanding of the risk of wildfires have resulted in new laws from the State of California to minimize the susceptibility to fire hazards for buildings and structures. New mandates have created additional responsibilities for Fire, already facing existing funding and staffing constraints, who play a critical role in ensuring that developments are compliant with applicable County and State regulations.

In the interim, greater awareness of climate resilience has resulted in the development of new standards such as a Net Zero Development, requiring increased technical expertise for County staff. The County's large geographic area and diverse communities also play a role in the variability and complexity of permitting. In more rural areas within the County, there is a lack of municipal sewer and water main line service, with homes being served by septic systems and water wells instead. Issues related to sewage and potable water fall under the purview of both DPW and DPH, which increases the touchpoints for some projects and require greater multi-Departmental coordination and collaboration.

The expansion of EPIC-LA has not translated into better ease of access or streamlined experiences for those going through the permitting and development process. Residents and businesses continue to express concerns with long wait times, inaccessibility to staff, and complex requirements that add to the permitting timeline.

Each of the County Departments involved in permitting and entitlements is required by State and County regulations to establish cost recovery mechanisms for their part of the County's review processes. Within each Department, appropriate land development and permitting groups have been established in line with historic trends. While there is a component of net county cost that is included in funding for each Department, the majority of the funding for staff time involved in these groups is funded through established and approved fee structures.

However, DPW and DRP are facing increased workloads, and are thus unable to sustain timely response times, which in part is exacerbated by vacancies and staff turnover. However, even with fully staffed Departments, the current workload exceeds their existing capacity. The report indicated that the County has seen a 616% increase in online permits as customers are increasingly doing business online. The increased workload has created a backlog which can add four to six weeks to the review process for both DPW and DRP.

-MORE-

Subsequently, the Board declared a local emergency for homelessness on January 10, 2023, which in part has been attributed to the insufficient housing availability across the County. The County's declaration highlighted the need to expeditiously overcome bureaucratic hurdles and institutional red tape which have restricted the ability to adapt to changing needs. This is indicative of the findings of the update to the Gartner Study (Updated Gartner Study) report which recommends expanding services available to customers like offering in-person concierge, post-submittal case management, parallel entitlement & permitting, and certified customer plan checkers. For the County to address this issue it must boldly address the internal restrictions, evaluate the staffing and placement of corresponding responsibilities related to permitting and development, and adequately staff the organizations needed to provide quality customer-centric services.

The Updated Gartner Study was issued in February 2023, noting major opportunities for the County to develop an enhanced customer-centric service model to support development as a single line of business. Under the declared emergency, the Board has directed expedited hiring and contracting processes to ensure that process does not obstruct our ability to deliver services and resources needed to prevent more people from falling into homelessness. Accordingly, the Board should also ensure that the County Departments responsible for permitting are appropriately resourced in terms of staffing levels and appropriate delegated authority, to reduce the timelines for the production of new housing that is critically needed to abate the current housing crisis.

WE, THEREFORE, MOVE that the Board of Supervisors instruct the Department of Regional Planning, in collaboration with the Chief Executive Office and the Departments of Public Works, Fire, Parks, Public Health, Treasurer-Tax Collector, and Economic Opportunity, to expedite implementation of the 2023 Gartner Study recommendations, notably the following:

- 1) Broaden the EPIC-LA internal support structure and reformulate the Governance model, consistent with the Gartner recommendations and including the CEO, to ensure comprehensive, organized, and responsive decision-making for use of resources, system development, and strategic direction;
 - a. Ensure that the primary Governance representatives for each Department is at the level of Deputy Director or higher, and require centralized reporting and coordination under the direct purview of said representative;
 - b. Identify immediate funding for consultant services to assist with organizing, structuring and implementing the recommended Governance model.
- 2) Establish a plan for a working foundation for the new customer centric service model, to be implemented in the next 9 to 12 months, including a structure for cross-departmental teams accountable for streamlining EPIC-LA enhancements;

-MORE-

- 3) Redesign and enhance the customer interface with EPIC-LA;
 - a. Including consultation with the Department of Economic Opportunity as a Governance Committee advisor in support of the EPIC-LA customer interface;
 - b. Re-envision the customer experience and implement equity-based solutions.
 - c. Solutions should be informed through engagement with and input from a stakeholder group that includes large and small developers, as well as mission-driven developers, such as those with developments for childcare facilities, retail small businesses, nonprofits and community spaces.
- 4) Complete the current service model cross-departmental integration and implementations at Fire, and Treasurer-Tax Collector;
- 5) Complete the EPIC-LA Interface with the Public Health systems in the next 15 to 18 months;
- 6) Develop a decision tree to support streamlined customer interaction with the County, clearly defined permitting requirements at project initiation and increased automation;
- 7) Begin negotiations with Tyler Technologies, Inc. to extend the existing County contract for five years plus one optional one-year extension; and
- 8) Report back in writing quarterly.

WE, FURTHER MOVE that the Board of Supervisors instruct the Departments of Regional Planning, Public Works, Fire, Parks, Public Health, and Treasurer-Tax Collector, in consultation with the Department of Human Resources and Chief Executive Office-Classifications, to report back in writing in 90 days on the following:

- 1) Current staffing structures, staffing levels, and workload for the groups within the Departments involved in the permitting and entitlement process, including:
 - a. Staffing shortages and vacancies, including specific positions and length of time vacant; and
 - b. Current access to and use of consultants to provide aforementioned services for permitting and entitlement;
- 2) Identified hurdles for hiring new and retaining existing staff, including identified salary structures that lead to low to no applicants for specific positions, existing classification challenges, as well as existing hiring processes internal to each Department, the Chief Executive Office, and the Department of Human Resources;
- 3) Review each Department's fee structure with the Auditor Controller to maximize cost recovery for the implementation of the enhanced EPIC-LA system

-MORE-

- 4) Reporting on current plan review and plan check processes, including:
 - a. Current turnaround times for plan review and plan check;
 - b. Historic turnaround times for the last six months and one year, with turnaround time measured from applicant's submittal for plan review to return of plan with comments;
 - c. Ideal turnaround times to ensure timely and responsive customer service; and
 - d. The development and recommendation of key metrics to be publicly reported on a monthly basis, through a unified, forward-facing website and dashboard for all Departments, to track the success of the expansion of EPIC-LA;

WE, FURTHER MOVE that the Board of Supervisors direct the Department of Human Resources and Chief Executive Office to:

- 1) Ensure that the Directors of the Departments involved in EPIC-LA include a MAPP Priority beginning FY 2023-24 that supports the implementation of the Gartner recommendations, notably the new service model, and report back annually during the MAPP review process until implemented or otherwise sunset; and
- 2) Work with the EPIC-LA Departments to expedite the hiring process, reclassification studies and related efforts, to overcome staffing shortages, case backlogs and long turnaround times, all key findings of the Gartner report;

WE, FURTHER MOVE that the Board of Supervisors direct the Chief Executive Office (CEO) to report back during the 2023-24 Supplemental Budget phase on the following:

- 1) Identification of alternative funding solutions to support efficient permitting operations and full implementation of the Gartner recommendations for all EPIC-LA Departments;
 - a. Collaborate with the Los Angeles County Fire Department to review the funding model for EPIC-LA within the Fire Prevention Division;
 - b. Work with the Los Angeles County Department of Public Health to review the funding model for EPIC-LA and the Public Health system within the Environmental Health Division;
- 2) Identification of funding during the Fiscal Year 2023-24 Supplemental Budget phase so that the County can proceed with department-level short-term solutions, including additional staffing and one-time funding, as recommended in the Updated Gartner Study;

- 3) In consultation with the EPIC-LA Departments, study the current alignment of development permitting services across multiple Departments, determine whether services are operating optimally, and identify potential improved service delivery by shifting services within the County's permitting departments; and
- 4) In coordination with the EPIC-LA departments, consolidate reporting on this motion with current quarterly reporting on previous EPIC-LA and development services motions, next report due in 90 days and continuing quarterly thereafter;

#

KB:aso